

Bournemouth School For Girls

Registered number: 07703931

Governors' report and financial statements

For the year ended 31 August 2016

BOURNEMOUTH SCHOOL FOR GIRLS

(A Company Limited by Guarantee)

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**BOURNEMOUTH SCHOOL FOR GIRLS
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members

Governors

Mr A Brien*, Headteacher and Accounting Officer
Mrs I Ashton
Mrs J Bowley
Mr K Cameron
Miss A Coe, Staff Governor
Mr G Darnton*
Mr R Davies, Staff Governor
Mr P A Fitzpatrick*
Mr T Hicks* (resigned 11 May 2016)
Mrs L Holman, Staff Governor
Dr R King* (resigned 30 September 2015)
Dr J Knowles (appointed 30 September 2015)
Mr R Lonnon
Dr A M O'Connor (resigned 30 June 2016)
Mr N D Spreadbury*
Mrs J Stichbury*, Chairman (appointed 30 September 2015)
Dr M Symons
Mr L Woodward

* members of the Finance Committee

Company registered number

07703931

Company name

Bournemouth School for Girls

Principal and registered office

Castle Gate Close, Castle Lane West, Bournemouth, Dorset, BH8 9UJ

**BOURNEMOUTH SCHOOL FOR GIRLS
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Advisers (continued)

Company secretary

Mr H Richards

Senior Leadership Team

Mr A Brien, Headteacher

Mr D Sims, Deputy Headteacher

Ms A Collins, Deputy Headteacher

Mrs M Braye, Deputy Headteacher

Mrs J Ford, Bursar

Independent auditors

Mazars LLP, 5th Floor, Merck House, Seldown Lane, Poole, Dorset, BH15 1TW

Bankers

Lloyds TSB Bank, 45-47 Old Christchurch Road, Bournemouth, Dorset, BH1 1ED

Barclays Bank, 61 Old Christchurch Road, Bournemouth, Dorset, BH1 1ER

Bank of Scotland, 33 Old Broad Street, London, EC2N 1HZ

Solicitors

Stone King Sewell, 13 Queens Square, Bath, BA1 2HJ

Bournemouth Borough Council, St Stephens Road, Bournemouth, Dorset, BH2 6EB

BOURNEMOUTH SCHOOL FOR GIRLS

(A Company Limited by Guarantee)

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The Governors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Bournemouth School for Girls (the Academy Trust) for the year ended 31 August 2016. The Governors confirm the Annual Report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purpose of both a trustee's report, a directors' report under company law.

The trust operates an academy for pupils aged 11 to 18 serving Bournemouth and the surrounding area. It has a roll of 1156 in the school census on 6 October 2016.

Entry to the school is by way of academic selection.

Structure, governance and management

a. Constitution

The academy trust is a charitable company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy.

The Governors act as trustees for the charitable activities of Bournemouth School for Girls and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Bournemouth School for Girls.

Details of the Governors who served throughout the year are included in the Reference and Administrative Details on page 1.

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

c. Governors' indemnities

The Governors have liability Insurance with Zurich Municipal effective date 1 August 2015. There is a limit of Indemnity of £2,000,000. This has been renewed on 1 August 2016.

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GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

d. Method of recruitment and appointment or election of Governors

The Academy's Governing Body is comprised of up to:

- 5 parent Governors
- 3 Staff Governors
- 1 Headteacher (ex officio)
- 6 Governors appointed by the governing body
- 3 additional Governors co opted by the governing body

Parent Governors are elected by the parents of current pupils of the Academy Trust.

Staff Governors are elected by the staff currently employed by the Academy Trust.

All other Governors are appointed by the Board of Governors on the basis of the skills they are able to contribute to the Academy's development.

e. Policies and procedures adopted for the induction and training of Governors

All new Governors participate in an induction programme. This programme includes familiarisation of the work of the Governors by attending all Committee meetings. Opportunities are given to attend Governor training courses given by relevant training agencies.

Governors are invited to visit the school to improve and enhance their knowledge and to see work in progress.

The Governing Body reviews its performance on an annual basis from which it identifies any specific training needs.

The Governing Body are members of the National Governors Association and receive a regular magazine and access to a comprehensive website.

BOURNEMOUTH SCHOOL FOR GIRLS

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GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

f. Organisational structure

The Board of Governors meet at the beginning of the academic year and thereafter once each term. Committee meetings are held termly.

The Governing Body and Committees have established agreed Roles and Responsibilities and Terms of Reference. These are reviewed annually.

The individual Committees report termly to the full Governing Body.

From time to time the Governing Body may also establish Working Parties who report directly at the termly meeting.

The Headteacher reports termly to the Governing Body.

The Board of Governors are responsible for the promotion of high standards of educational achievement, ensuring that there is an effective process for reviewing performance, identifying priorities, taking action and monitoring progress.

Its Committees and delegated responsibilities are:

Staff and Students Curriculum: Assessment and reporting of academic results, safeguarding, provision of SEND, Staffing, Employee Relations, staff development and performance.

Finance and Resources Finance: Audit, Budget, annual accounts, fees and remissions, Asset Management Plan, Health and Safety.

Pay: Annual pay reviews.

g. Arrangements for setting pay and remuneration of key management personnel

The Headteacher's performance is scrutinised on an annual basis by the Governing Body with the assistance of an external advisor appointed by the Governors. Performance against targets relating to Headteacher performance are reviewed by the Headteacher Performance Review Committee. The Committee then reports to the Governor Pay Committee which sets the Headteacher's salary for the coming year. Deputy Headteachers' and the Bursar's performance are also reviewed against annual targets by the Headteacher who makes recommendations for pay progression to the Governors' Pay Committee.

h. Connected Organisations including Related Party Relationships

The school is a member of the South West Academic Trust, a group of grammar schools in the South West, working in association with Exeter University to promote opportunities for both staff and pupils to meet together and share good practice.

Bournemouth School for Girls is a co sponsor of the Bishop of Winchester Academy. Bournemouth School for Girl's Headteacher is a governor of the Academy and a member of the Academy Trust.

We have links with our local SCITT, Southampton University and Winchester University to provide teacher training placements.

The Headteacher is an Ofsted Inspector National Leader of Education and also a member of the Governing Board of Bournemouth University.

BOURNEMOUTH SCHOOL FOR GIRLS

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GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

Objectives and Activities

a. Objectives and aims

Our school is committed to achieving the highest academic standards through a broad and balanced education within a stimulating environment. We also believe academic excellence goes hand in hand with the moral, spiritual and cultural development of the whole person. We want to nurture the individual talents of all our pupils so that they are able to make a difference in the wider world.

We want our pupils to be:

- happy;
- enquiring;
- highly motivated;
- determined;
- able to reach their full potential;
- mindful of the needs of others;
- polite, tolerant and helpful; and
- proud of their school.

We want our pupils to:

- work hard and aim high;
- take responsibility;
- show respect
- enjoy learning.

b. Objectives, strategies and activities

Our funding agreements states our objectives as:

(a) the Academy has a curriculum satisfying the requirements of section 78 of EA 2002 (balanced and broadly based curriculum);

(b) if the Academy provides secondary education, its curriculum for the secondary education has an emphasis on a particular subject area, or particular subject areas, specified in the Agreement; and

(c) the Academy provides education for pupils who are wholly or mainly drawn from the area in which the school is situated.

The Academy shall be a selective school within the meaning of section 6(4) of the Academies Act 2010, subject only to the provisions of Annex E of our funding agreement.

BOURNEMOUTH SCHOOL FOR GIRLS

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GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

c. Public benefit

In setting our objectives and planning our activities the Governors have given careful consideration to the Charity Commission's guidance on Public Benefit.

The Academy Trust is involved with the local community through sponsorship of The Bishop of Winchester Academy, provision of activities and amenities to local primary schools. Through the sixth form programme of Work in the Community the students link with local businesses, the care community, primary and junior schools.

Community groups have use of the facilities within our Facilities Management Programme. Current users include: Bournemouth AFC, ABRSM, The Big Little Theatre School, Dorset Police Choir, The Rotary Club, the Lions Club, Kick Boxing, Hadland Day Care, Machine Knitting Live, Christchurch Model Railway Club and Slimming World. The school also hosts the quarterly local residents' Forum.

Strategic Report

Achievements and performance

a. Review of activities

The Academy has been rated as outstanding by Ofsted and is recognised as a National Support School. The focus of the academy is to provide the best possible education for our pupils. We are pleased to report we had another highly successful year. We were rated as one of the top performing state secondary schools in the country following our results: At GCSE, we had a 100% pass rate for the government gold standard of 5 A* Cs, including English and Maths with 66% of all exams passed at A or A*.

At A level, 73.35% of all exams were graded A* - B with 52 students gaining 2 or more A grades. Six students were successful in gaining Oxbridge places and the vast majority of our students went on to Higher Education.

b. Going concern

After making appropriate enquires, the Governing Body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

BOURNEMOUTH SCHOOL FOR GIRLS

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GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

c. Key financial performance indicators

Staffing costs as a % of Public/GAG income

	2016	2015	2014
Teaching Staff	69.34	68.06	67.7
Support Staff	9.19	9.96	9.94
Administrative Staff	2.69	2.81	5.65
Site Staff	2.69	2.81	2.93

Teaching staff

	2016	2015	2014
Full Time Equivalents	64.87	65.63	67.16
Pupil Teacher Ratio	17.82	17.48	16.69

	2016	2015	2014
Applications	391	532	462
Accepted for Year 7	173	174	160

BOURNEMOUTH SCHOOL FOR GIRLS

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GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

Financial review

The primary income is obtained from funding allocations from the EFA. These are restricted funds to meet the costs in running the school and educating the pupils and students.

The Academy reduces the main financial risk of having insufficient funds to meet such expenditure by managing the annual budget, monitoring expenditure and obtaining best value.

The Academy has inherited the local government defined benefit pension scheme deficit for support staff which it is reducing as advised by Barnett Waddingham, the pension actuarial experts.

The Academy has an active policy to maintain and improve the school's facilities. We focus on providing the best we can for our students learning, personal development and future success. In 2015/16 efficiency savings and use of reserves have enabled us to maintain funding levels for the quality education we provide.

The Academy has been able to develop and improve curriculum resources within the year due to grant funding support from The Wolfson Trust and CIF funding from the EFA. These funds have enabled us to create two new Science Labs and complete the first phase of replacement heating and water systems. The Academy also allocated funding from lettings income towards the labs and also the creation of a new Design Technology ICT Suite.

As at 31st August 2016, the Academy held total funds of £11,376,704. Unrestricted funds total £154,318 and the total of Restricted funds is £746,487.

Within the total funds is the fixed asset fund and the defined benefit pension liability for the academy and as at 31st August 2016 this stands at £2.9m deficit. Whilst this liability features on the Academy's balance sheet, it is managed by Dorset County Council Pension's team along with all other Academy and school pension liabilities.

The funds held by the Academy are for the following purposes: restricted purposes including curriculum running costs, capital improvements, funds for trips and other designated purposes (including donated funds). Unrestricted funds include letting income and catering.

Within the year the Academy had a surplus within our curriculum running costs of £58,456. £50,000 of these funds are designated for IT developments from September 2016. The academy's unrestricted and donated restricted funds are allocated as the Academy's contribution to our CIF bid to the Government for a Sports Hall.

b. Principal risks and uncertainties

The Academy maintains a Risk Register which is monitored on an ongoing basis. The primary risks are operational and financial. The Risk Register records the actions taken to mitigate the risks including staff management plan, secure financial procedures and spread of risk for cash deposits.

Revenue and capital funding are the primary on-going risks. Bournemouth's per pupil funding is low and the Academy would welcome the introduction of a national funding formula to facilitate improved support for our pupils.

Age of the estate.

Mitigating action is being taken in regard to these risks which is detailed in the Governors' Statements.

BOURNEMOUTH SCHOOL FOR GIRLS

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GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

c. Reserves policy

It is the objective of the Academy Trust to retain sufficient funds to meet planned expenditure.

Cash is held in accessible deposit accounts.

The budget includes an allowance each year for a 5% contingency of GAG whenever possible. Surplus funds in excess of this are held to fund capital projects and work which are for the benefit of the pupils of Bournemouth School for Girls.

Investment policy

The Academy monitors account balances to ensure immediate financial commitments can be met and that the current account(s) have adequate balances to meet forthcoming commitments.

Where funds surplus to immediate need and contingency are held the Academy seeks to invest these without risk at the highest deposit rate possible.

Plans for future periods

Our aims and key objectives for the future is:

Governors and staff have this year been formulating a new school development plan for the 5 years.

The key priorities are:

1. Outstanding teaching learning are at the heart of the school's work.
2. Staff and students develop a growth mindset.
3. The development of outstanding leadership at all levels.

In 2018 the school will be celebrating its centenary. Much of our building stock is now over 50 years old and showing its age badly. The Governors will continue to press the case for a new sports facility, updated heating and additional classroom facilities.

Funds held as custodian trustee on behalf of others

The Academy holds funds for the Old Girls Association (OGA) fund and the Partridge fund. The funding is clearly identifiable in the Academy's finance practices.

**BOURNEMOUTH SCHOOL FOR GIRLS
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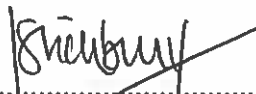
**GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Disclosure of information to auditors

Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report incorporating the Strategic Report, was approved by order of the Governing Body as the company directors, on 7 December 2016 and signed on its behalf by:



.....
Mrs J Stichbury
Chair of Governors

BOURNEMOUTH SCHOOL FOR GIRLS

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Bournemouth School For Girls has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bournemouth School For Girls and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met 4 times during the year.

Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mr A Brien* (Headteacher and Accounting Officer)	4	4
Mrs I Ashton	3	4
Mrs J Bowley	3	4
Mr K Cameron	4	4
Miss A Coe, Staff Governor	3	4
Mr G Darnton*	3	4
Mr R Davies, Staff Governor	3	4
Mr P A Fitzpatrick*	4	4
Mr T Hicks*	2	4
Mrs L Holman, Staff Governor	2	4
Dr R King*	1	4
Mr J Knowles	2	4
Mr R Lonnon	3	4
Dr A M O'Connor	4	4
Mr N D Spreadbury*	4	4
Mrs J Stichbury*, Chairman	4	4
Dr M Symons	4	4
Mr L Woodward	1	4

Apologies for absence were received.

BOURNEMOUTH SCHOOL FOR GIRLS

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GOVERNANCE STATEMENT (continued)

The Finance and Resource Committee is a sub-committee of the main Governing Body. Its purpose is to review the budget, annual accounts, audit, fees and remissions.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr A Brien	6	6
Mrs I Ashton	4	6
Mr K Cameron	5	6
Mr G Darnton	3	6
Mr R Davies	5	6
Mr P A Fitzpatrick	3	6
Mr T Hicks	4	4
Mrs L Holman	5	6
Dr J Knowles	3	6
Mr R Lonnon	3	6
Mr N D Spreadbury	6	6
Mrs J Stitchbury	5	6

Apologies for absence were received.

Review of Value for Money

As Accounting Officer, the Headteacher has responsibility for ensuring that the trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the trust has delivered improved value for money during the year 2015-16 by:

Tighter budgeting and extending financial analysis, reporting and briefing sessions. Extended internal and external regularity checks in line with Government requirements.

Developing academy staff to provide the best possible outcomes for the students. In Service Training Days have been targeted in accordance with the School Development Plan and held on site to ensure this programme has reached all staff.

Review of teaching staff allocations and group sizes in the light of low funding.

Further development of the House system enabling students to benefit from a growing programme of House sporting and creative events.

Review of the support programmes for students which have enabled the pastoral system to remain strong.

Working with local feeder schools to widen the availability of access to the facilities and teaching within the Academy, including visits to our Science, English, DT and PE Departments.

Streamlined support functions to take advantage of technological advances such as internet payments by parents.

BOURNEMOUTH SCHOOL FOR GIRLS

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GOVERNANCE STATEMENT (continued)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bournemouth School For Girls for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the trust's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

The trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and Resource Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body operates a programme of internal scrutiny. This work has been undertaken in the financial year by Mazars LLP.

Checks undertaken include operational reviews on payroll and employment compliance, purchases from order through to receipt taking into account the different payment methods, capital contracts in place, income received from the EFA and other sources, bank reconciliations, VAT returns, management and security of cash income received from catering purchases and other receipts, sales ledger and monitoring of statements issued and reconciliation of receipts, trips and activities administration and payments meet the required administrative process, check of assets and inventory.

Reports are submitted to the Finance Committee and Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

BOURNEMOUTH SCHOOL FOR GIRLS

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GOVERNANCE STATEMENT (continued)

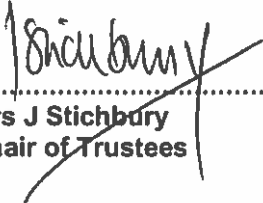
Review of Effectiveness


As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the internal scrutiny reports
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resource Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 7 December 2016 and signed on their behalf, by:


.....
Mrs J Stichbury
Chair of Trustees


.....
Mr A Brien
Accounting Officer

BOURNEMOUTH SCHOOL FOR GIRLS

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Bournemouth School For Girls I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA.



.....
Mr A Brien
Accounting Officer

Date: 7 December 2016

BOURNEMOUTH SCHOOL FOR GIRLS

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STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The Governors (who act as governors of Bournemouth School for Girls and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

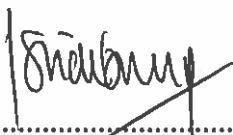
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Governing Body on 7 December 2016 and signed on its behalf by:



.....
Mrs J Stichbury
Chair of Governors

BOURNEMOUTH SCHOOL FOR GIRLS

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BOURNEMOUTH SCHOOL FOR GIRLS

We have audited the financial statements of Bournemouth School For Girls for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) ((Charities SORP 2015 (FRS 102)).

Respective responsibilities of Governors and auditor

As explained more fully in the Governors' Responsibilities Statement set out on page 16, the Governors (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the Governors as a body. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and the members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Annual Report including the incorporated strategic report for the year for which the financial statements are prepared is consistent with the financial statements.

**BOURNEMOUTH SCHOOL FOR GIRLS
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE
MEMBERS OF BOURNEMOUTH SCHOOL FOR GIRLS**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Lesley Fox (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants Statutory Auditor
Statutory Auditor

5th Floor
Merck House
Seldown Lane
Poole
Dorset
BH15 1TW

Date:

16/12/16

BOURNEMOUTH SCHOOL FOR GIRLS

(A Company Limited by Guarantee)

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO BOURNEMOUTH SCHOOL FOR GIRLS AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 26 October 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bournemouth School For Girls during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Bournemouth School For Girls and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Bournemouth School For Girls and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bournemouth School For Girls and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Bournemouth School For Girls' Accounting Officer and the reporting auditor

The Accounting Officer is responsible, under the requirements of Bournemouth School For Girls' funding agreement with the Secretary of State for Education dated 1 August 2011, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out sample testing on controls;
- Carried out substantive testing including analytical review; and
- Concluded on procedures carried out.

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO
BOURNEMOUTH SCHOOL FOR GIRLS AND THE EDUCATION FUNDING AGENCY
(continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Lesley Fox (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants
Statutory Auditor

5th Floor
Merck House
Seldown Lane
Poole
Dorset
BH15 1TW

Date: 16/12/16

BOURNEMOUTH SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
Income and endowments from:						
Donations and capital grants	3	58,000	30,529	305,923	394,452	265,898
Other trading activities	4	193,658	670,652	139,404	1,003,714	696,215
Investments	5	918	-	-	918	790
Charitable activities:	6					
Funding for the academy trust's educational operations		-	4,953,174	-	4,953,174	4,942,907
Total income		<u>252,576</u>	<u>5,654,355</u>	<u>445,327</u>	<u>6,352,258</u>	<u>5,905,810</u>
Expenditure on:						
Charitable activities: Academy trust educational operations	7	157,917	5,744,311	391,572	6,293,800	6,232,488
Total expenditure	8	<u>157,917</u>	<u>5,744,311</u>	<u>391,572</u>	<u>6,293,800</u>	<u>6,232,488</u>
Net income / (expenditure) before other gains and losses						
		94,659	(89,956)	53,755	58,458	(326,678)
Actuarial gains/(losses) on defined benefit pension schemes	21	-	(1,270,000)	-	(1,270,000)	56,000
Net movement in funds		<u>94,659</u>	<u>(1,359,956)</u>	<u>53,755</u>	<u>(1,211,542)</u>	<u>(270,678)</u>
Reconciliation of funds:						
Total funds brought forward		59,661	(805,557)	13,334,144	12,588,248	12,858,926
Total funds carried forward		<u>154,320</u>	<u>(2,165,513)</u>	<u>13,387,899</u>	<u>11,376,706</u>	<u>12,588,248</u>

BOURNEMOUTH SCHOOL FOR GIRLS

Registered number: 07703931

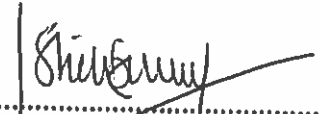
(A Company Limited by Guarantee)

BALANCE SHEET

AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	12		13,630,494		13,606,297
Current assets					
Stocks	13	1,360		1,387	
Debtors	14	389,096		161,427	
Cash at bank and in hand		919,229		616,606	
		<u>1,309,685</u>		<u>779,420</u>	
Creditors: amounts falling due within one year	15	<u>(651,473)</u>		<u>(299,469)</u>	
Net current assets			<u>658,212</u>		<u>479,951</u>
Total assets less current liabilities			<u>14,288,706</u>		<u>14,086,248</u>
Defined benefit pension scheme liability	21		<u>(2,912,000)</u>		<u>(1,498,000)</u>
Net assets including pension scheme liabilities			<u><u>11,376,706</u></u>		<u><u>12,588,248</u></u>
Funds of the Academy					
Restricted funds:					
Restricted funds	16	746,487		692,443	
Restricted fixed asset funds	16	13,387,899		13,334,144	
		<u>14,134,386</u>		<u>14,026,587</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(2,912,000)</u>		<u>(1,498,000)</u>	
Total restricted funds			<u>11,222,386</u>		<u>12,528,587</u>
Unrestricted funds	16		154,320		59,661
Total funds			<u><u>11,376,706</u></u>		<u><u>12,588,248</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 7 December 2016 and are signed on their behalf, by:


.....
Mrs J Stichbury
Chair of Governors

The notes on pages 25 to 45 form part of these financial statements.

BOURNEMOUTH SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	18	436,702	143,385
		<hr/>	<hr/>
Cash flows from investing activities:			
Interest received		914	790
Purchase of property, plant and equipment		(415,769)	(297,385)
Capital grants from DfE/EFA		280,846	234,593
		<hr/>	<hr/>
Net cash used in investing activities		(134,009)	(62,002)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year	19	302,693	81,383
Cash and cash equivalents brought forward		616,606	535,223
		<hr/>	<hr/>
Cash and cash equivalents carried forward		919,299	616,606
		<hr/> <hr/>	<hr/> <hr/>

BOURNEMOUTH SCHOOL FOR GIRLS

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Bournemouth School For Girls constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Bournemouth School For Girls prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Bournemouth School For Girls for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Governors have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 25.

1.2 Going concern

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

BOURNEMOUTH SCHOOL FOR GIRLS

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2016**

1. Accounting Policies (continued)

1.3 Income

All incoming resources are recognised when the academy has entitlement to the funds, the receipt is probable and when the amount can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

The value of donated services and gifts in kind provided to the Academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's policies.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable activities are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

BOURNEMOUTH SCHOOL FOR GIRLS

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

1. Accounting Policies (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% Straight Line
Motor vehicles	-	20% Straight Line
Fixtures and fittings	-	20% Straight Line
Computer equipment	-	33.3% Straight Line

Assets in the course of construction are not depreciated until they are brought into use.

1.6 Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

1.7 Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

1.8 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

BOURNEMOUTH SCHOOL FOR GIRLS

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2016**

1. Accounting Policies (continued)

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.11 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.14 Pensions benefits

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

BOURNEMOUTH SCHOOL FOR GIRLS

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2016**

1. Accounting Policies (continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.15 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy at the discretion of the Governors.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Education Funding Agency.

Investment income, gains and losses are allocated to the appropriate fund.

1.16 Comparatives

The comparative figures have been restated due to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 "Transition to this FRS".

BOURNEMOUTH SCHOOL FOR GIRLS

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2016**

1. Accounting Policies (continued)

1.17 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

There are none which have a significant effect on the financial statements.

2. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy was subject to limits at 31 August 2016 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy has not exceeded these limits during the year ended 31 August 2016.

BOURNEMOUTH SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

3. Income from donations and capital grants

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
Donations	58,000	30,529	-	88,529	31,305
Capital grants	-	-	305,923	305,923	234,593
Total donations and legacies	58,000	30,529	305,923	394,452	265,898

In 2015, the total income from donations and capital grants was £265,898 of which £31,305 was restricted and £234,593 was restricted fixed asset fund.

4. Other trading activities

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Facilities and Services income	-	53,338	53,338	65,628
Catering income	165,595	-	165,595	147,640
Pupil/Student Resources	-	48,558	48,558	48,342
Education visit income	-	56,918	56,918	18,830
Hire of facilities	28,063	-	28,063	18,753
Academy trips	-	440,827	440,827	330,211
Other income	-	210,415	210,415	66,811
	193,658	810,056	1,003,714	696,215

In 2015, of the total income from other trading activities, £166,393 was to unrestricted funds and £529,822 was to restricted funds.

5. Investment income

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
Short term deposits	918	-	918	790

In 2015 the total investment income was £ 790 of which £790 was unrestricted.

BOURNEMOUTH SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

6. Funding for Academy's educational operations

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	4,885,972	4,885,972	4,871,490
Other DfE/EFA grants	-	45,600	45,600	50,255
	<u>-</u>	<u>4,931,572</u>	<u>4,931,572</u>	<u>4,921,745</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other government grants				
16-19 Bursary Fund	-	21,602	21,602	21,162
	<u>-</u>	<u>21,602</u>	<u>21,602</u>	<u>21,162</u>
	<u>-</u>	<u>4,953,174</u>	<u>4,953,174</u>	<u>4,942,907</u>

In 2015, the total income from funding for Academy's educational operations was £4,942,907, of which £4,942,907 was to restricted funds.

BOURNEMOUTH SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

7. Charitable activities

	2016 £	Restated 2015 £
Direct costs - educational operations		
Teaching and educational support staff costs	3,786,565	3,814,190
Educational supplies	227,858	181,270
Examination fees	134,462	133,394
School trips	331,727	340,384
Catering, midday supervision, other staff	10,104	10,090
Other direct costs	20,621	34,490
FRS102 Section 28 pension costs	58,000	35,000
Technology costs	2,927	3,358
Total	4,572,264	4,552,176
Support costs - educational operations		
Support staff costs	695,666	680,036
Depreciation	391,573	400,017
Technology costs	84,445	80,305
Staff development	17,282	23,609
Maintenance of premises and equipment	42,535	71,545
Cleaning	20,683	18,943
Rates	37,849	42,333
Energy costs	74,685	82,712
Catering	84,199	88,456
Legal and professional costs	-	32,000
Other support costs	251,549	131,793
Governance costs	21,070	19,416
Total	1,721,536	1,680,312
Total direct and support costs	6,293,800	6,232,488

BOURNEMOUTH SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

8. Expenditure

	Staff costs	Premises	Other costs	Total	Total 2015 Restated
	2016	2016	2016	2016	£
	£	£	£	£	£
Academy:					
Direct costs	3,786,565	-	785,699	4,572,264	4,552,176
Support costs	695,666	567,325	458,545	1,721,536	1,680,312
	<u>4,482,231</u>	<u>567,325</u>	<u>1,244,244</u>	<u>6,293,800</u>	<u>6,232,488</u>

Net income/(expenditure) for the year includes:

	2016	2015
	£	£
Operating leases:		
- plant and machinery	20,137	22,392
Fees payable to auditor for:		
- audit	7,800	6,950
- other services	<u>9,433</u>	<u>10,724</u>

BOURNEMOUTH SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. Staff costs

(a) Staff costs

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	3,612,106	3,618,753
Social security costs	300,227	269,734
Other pension costs (Note 21)	564,144	592,289
	<u>4,476,477</u>	<u>4,480,776</u>
Supply teacher costs	8,681	13,450
	<u>4,485,158</u>	<u>4,494,226</u>

(b) Staff numbers

The average number of persons employed by the academy during the year was as follows:

	2016 No.	Restated 2015 No.
Teachers	70	73
Administration and support	52	58
Management	5	6
	<u>127</u>	<u>137</u>

(c) Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2016 No.	2015 No.
In the band £60,001 - £70,000	3	1
In the band £70,001 - £80,000	0	1
In the band £120,001 - £130,000	1	1

(d) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £445,360 (2015: £496,487).

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10. Related Party Transactions - Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Governors. The value of Governors' remuneration and other benefits was as follows:

A Brien* (Headteacher and Accounting Officer):

Remuneration £125,000 - £130,000 (2015: £120,000 - £125,000)

Employer's Pension contributions £20,000 - £25,000 (2015: £15,000 - £20,000)

A Coe (Staff Governor):

Remuneration £30,000 - £35,000 (2015: £25,000 - £30,000)

Employer's Pension contributions £5,000 - £10,000 (2015: £0 - £5,000)

R Davies* (Staff Governor):

Remuneration £45,000 - £50,000 (2015: £40,000 - £45,000)

Employer's Pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000)

L Holman* (Staff Governor):

Remuneration £50,000 - £55,000 (2015: £40,000 - £45,000)

Employer's Pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000)

During the year, 1 Governor received benefits in kind totalling £2,279 (2015 - £NIL).

During the year ended 31 August 2016, expenses totalling £Nil (2015 - £13) were reimbursed to 0 Governors (2015 - 1).

11. Governors' and officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £867 (2015 - £854).

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12. Tangible fixed assets

	Land & buildings £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Assets in course of construction £	Total £
Cost						
At 1 September 2015	14,582,444	32,795	153,142	325,782	-	15,094,163
Additions	175,446	-	-	26,150	214,173	415,769
At 31 August 2016	14,757,890	32,795	153,142	351,932	214,173	15,509,932
Depreciation						
At 1 September 2015	1,133,357	12,049	110,990	231,470	-	1,487,866
Charge for the year	291,649	6,559	30,630	62,734	-	391,572
At 31 August 2016	1,425,006	18,608	141,620	294,204	-	1,879,438
Net book value						
At 31 August 2016	13,332,884	14,187	11,522	57,728	214,173	13,630,494
At 31 August 2015	13,449,087	20,746	42,152	94,312	-	13,606,297

Included in land and buildings is freehold land at valuation of £2,266,735 which is not depreciated.

13. Stocks

	2016 £	2015 £
Catering	572	667
Clothing	788	720
	1,360	1,387

14. Debtors

	2016 £	2015 £
Trade debtors	53,357	48,648
VAT recoverable	78,641	19,555
Other debtors	202,408	20,570
Prepayments and accrued income	54,690	72,654
	389,096	161,427

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15. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	337,286	82,803
Other taxation and social security	167,650	78,467
Other creditors	32,025	25
Accruals and deferred income	114,512	138,174
	<u>651,473</u>	<u>299,469</u>
	<u><u>651,473</u></u>	<u><u>299,469</u></u>
	2016	2015
	£	£
Deferred income		
Deferred income at 1 September 2015	107,852	178,472
Resources deferred during the year	38,099	107,852
Amounts released from previous years	(107,852)	(178,472)
	<u>38,099</u>	<u>107,852</u>
Deferred income at 31 August 2016	<u><u>38,099</u></u>	<u><u>107,852</u></u>

At the balance sheet date the Academy was holding funds received in advance for future trips totalling £38,099.

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FOR THE YEAR ENDED 31 AUGUST 2016

16. Statement of funds

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds					
General Funds	59,661	252,576	(157,917)	-	154,320
Restricted funds					
General Annual Grant (GAG)	335,726	4,885,972	(4,886,120)	-	335,578
Other DfE/EFA grants	17,992	45,600	(52,217)	-	11,375
16-19 Bursary Fund	10,691	21,602	(17,415)	-	14,878
Special purposes fund	204,453	511,838	(453,604)	-	262,687
General Non-GAG Restricted Fund	123,581	189,343	(190,955)	-	121,969
Pension reserve	(1,498,000)	-	(144,000)	(1,270,000)	(2,912,000)
	<u>(805,557)</u>	<u>5,654,355</u>	<u>(5,744,311)</u>	<u>(1,270,000)</u>	<u>(2,165,513)</u>
Restricted fixed asset funds					
DfE/EFA capital grants	464,004	445,327	(94,835)	-	814,496
Inherited fixed assets	12,870,140	-	(296,737)	-	12,573,403
	<u>13,334,144</u>	<u>445,327</u>	<u>(391,572)</u>	<u>-</u>	<u>13,387,899</u>
Total restricted funds	<u>12,528,587</u>	<u>6,099,682</u>	<u>(6,135,883)</u>	<u>(1,270,000)</u>	<u>11,222,386</u>
Total of funds	<u><u>12,588,248</u></u>	<u><u>6,352,258</u></u>	<u><u>(6,293,800)</u></u>	<u><u>(1,270,000)</u></u>	<u><u>11,376,706</u></u>

The specific purposes for which the funds are to be applied are as follows:

General Annual Grant (GAG) - Funds received from the EFA under the General Annual Grant arrangements for the recurrent expenditure of the Academy as defined in the Funding Agreement.

Other DfE/EFA Grants - Specific grants received from the DfE and/or EFA for specified purposes.

16-19 Bursary Fund - Funds received from the EFA for the support of eligible students aged 16-19.

General Non-GAG Restricted Fund - General monies received for restricted educational purposes not forming part of the General Annual Grant or other DfE/EFA grants.

Special Purposes Fund - Funds received for specific purposes.

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16. Statement of funds (continued)

Pension Scheme Reserve - This represents the negative reserve in respect of the LGPS scheme transferred at the conversion date plus any movements in the year.

Under the funding agreement with the Secretary of State, the Academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. Note 2 discloses whether the limit was exceeded.

17. Analysis of net assets between funds

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Restated Total funds 2015 £
Tangible fixed assets	-	242,595	13,387,899	13,630,494	13,606,297
Current assets	154,320	1,155,364	-	1,309,684	779,419
Creditors due within one year	-	(651,472)	-	(651,472)	(299,467)
Provisions for liabilities and charges	-	(2,912,000)	-	(2,912,000)	(1,498,000)
	<u>154,320</u>	<u>(2,165,513)</u>	<u>13,387,899</u>	<u>11,376,706</u>	<u>12,588,248</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2016 £	2015 £
Net income/(expenditure) for the year (as per Statement of financial activities)	58,458	(326,678)
Adjustment for:		
Depreciation charges	391,572	400,018
Interest received	(916)	(790)
(Increase) / Decrease in stocks	27	(95)
(Increase) / Decrease in debtors	(227,597)	193,247
Increase / (decrease) in creditors	352,004	(18,724)
Capital grants from DfE and other capital income	(280,846)	(234,593)
Defined benefit pension scheme cost less contributions payable	86,000	96,000
Defined benefit pension scheme finance cost	58,000	35,000
Net cash provided by operating activities	<u>436,702</u>	<u>143,385</u>

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19. Analysis of cash and cash equivalents

	2016 £	2015 £
Cash in hand	919,299	616,606
Total	<u>919,299</u>	<u>616,606</u>

20. Capital commitments

At 31 August 2016 the academy had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	<u>66,673</u>	<u>-</u>

21. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Dorset County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £46,872 were payable to the scheme at 31 August 2016 (2015 - Nil) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

21. Pension commitments (continued)

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £448,570 (2015 - £341,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £158,000 (2015 - £155,000), of which employers' contributions totalled £115,000 (2015 - £111,000) and employees contributions totalled £43,000 (2015 - £44,000). The agreed contribution rates for the period up to 31 March 2017 are 17.4% for employers and employees contributions are banded according to the pay scale. For future periods this information is not known.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	3.80 %	4.10 %
Rate of increase for pensions in payment / inflation	2.30 %	2.60 %
Inflation assumption (CPI)	2.30 %	2.60 %
RPI Increases	3.20 %	3.50 %

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

21. Pension commitments (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2016	2015
Retiring today		
Males	22.9	22.8
Females	25.3	25.2
Retiring in 20 years		
Males	25.2	25.1
Females	27.7	27.6

The Academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	987,000	784,000
Gilts	188,000	168,000
Property	176,000	144,000
Cash	18,000	55,000
Diversified growth fund	80,000	69,000
Other assets	263,000	199,000
Total market value of assets	<u>1,712,000</u>	<u>1,419,000</u>

The actual return on scheme assets was £155,000 (2015 - £61,000).

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost	(201,000)	(207,000)
Interest on obligation	(117,000)	(107,000)
Benefit changes, gain on curtailment and gain on settlement	59,000	72,000
Total operating charge	<u>(259,000)</u>	<u>(242,000)</u>
Actual return on scheme assets	<u>155,000</u>	<u>61,000</u>

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21. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2016 £	2015 £
Opening defined benefit obligation	2,917,000	2,629,000
Current service cost	201,000	207,000
Interest cost	117,000	107,000
Contributions by scheme participants	43,000	44,000
Actuarial losses/(gains)	1,365,000	(67,000)
Benefits paid	(19,000)	(3,000)
	<u>4,624,000</u>	<u>2,917,000</u>
Closing defined benefit obligation	<u>4,624,000</u>	<u>2,917,000</u>

Movements in the fair value of the Academy's share of scheme assets:

	2016 £	2015 £
Opening fair value of scheme assets	1,419,000	1,206,000
Interest income	59,000	72,000
Actuarial gains and (losses)	95,000	(11,000)
Contributions by employer	115,000	111,000
Contributions by employees	43,000	44,000
Benefits paid	(19,000)	(3,000)
	<u>1,712,000</u>	<u>1,419,000</u>
	<u>1,712,000</u>	<u>1,419,000</u>

22. Operating lease commitments

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	Land and buildings		Other Restated	
	2016 £	2015 £	2016 £	2015 £
Amounts payable:				
Within 1 year	-	-	17,837	17,807
Between 1 and 5 years	-	-	31,906	38,284
	<u>-</u>	<u>-</u>	<u>49,743</u>	<u>56,091</u>
Total	<u>-</u>	<u>-</u>	<u>49,743</u>	<u>56,091</u>

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23. Related party transactions

Owing to the nature of the Academy's operations and the composition of the board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The following related party transaction took place in the period of account:

Enterprise&Skills Company - a company in which J Knowles' (Governor) son is the CEO:

There has been transactions with this company during the year in the form of a 'Big Breakfast' event and a 'Yes Chef/Enterprise Competition' totalling £5,200.

There are no other related party transactions which have taken place in the period of account.

24. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £ 10 for the debts and liabilities contracted before he/she ceases to be a member.

25. First time adoption of FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.

